

LITHIUMBANK RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

(Unaudited - Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW
OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the unaudited condensed consolidated interim financial statements; they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of LithiumBank Resources Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. These unaudited condensed consolidated interim financial statements as at December 31, 2025 and for the three months then ended are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements.

LITHIUMBANK RESOURCES CORP.
Condensed Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	December 31, 2025 (unaudited) \$	September 30, 2025 (audited) \$
Assets			
Current assets			
Cash and cash equivalents	4	2,348,889	3,510,977
Goods and Services Tax receivable		33,312	25,689
Prepaid expenses, deposits and other receivables	5	120,128	143,133
Advance for well purchase	6	276,822	-
Amounts receivable		6,824	-
Lease receivables	8	99,247	96,807
		2,885,222	3,776,606
Non-current assets			
Exploration and evaluation assets	6	4,532,515	4,360,372
Lease receivables	8	26,396	52,141
Total Assets		7,444,133	8,189,119
Liabilities and Shareholders' Equity			
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	9	84,738	426,702
Decommissioning liability	6	180,000	180,000
Flow-through premium liability	10	160,283	179,250
Total Liabilities		425,021	785,952
Shareholders' Equity			
Share capital	10	30,587,890	30,238,916
Reserves	10	6,733,951	6,767,579
Deficit		(30,302,729)	(29,603,328)
Total Shareholders' Equity		7,019,112	7,403,167
Total Liabilities and Shareholders' Equity		7,444,133	8,189,119

Nature of operations and going concern (Note 1)
Subsequent events (Note 14)

These condensed consolidated interim financial statements were approved for issue by the Board of Directors February 25, 2026 and signed on its behalf by:

"Robert Shewchuk"
Director

"Christopher Murray"
Director

LITHIUMBANK RESOURCES CORP.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the three months ended December 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

	Notes	Three Months Ended December 31, 2025 \$	Three Months Ended December 31, 2024 \$
Operating expenses			
Consulting fees		45,375	104,515
Directors' fees	9	27,000	27,000
Exploration and evaluation	6, 9	182,562	703,942
General and administration	9	56,331	41,436
Lease interest		-	3,082
Management fees	9	195,000	184,000
Marketing and communications		59,728	74,533
Professional fees		20,671	54,340
Regulatory and transfer agent		12,602	18,098
Share-based payments	9, 10	113,937	95,229
Travel		26,850	15,744
		(740,056)	(1,321,919)
Other income (expense)			
Finance income		3,309	-
Interest income		18,709	33,152
Foreign exchange		(330)	(5,769)
Recovery of flow-through premium liability	10	18,967	-
		40,655	27,383
Loss and comprehensive loss		(699,401)	(1,294,536)
Basic and diluted loss per common share		(0.01)	(0.03)
Weighted average number of common shares outstanding – basic and diluted			
		63,830,577	49,882,939

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LITHIUMBANK RESOURCES CORP.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in Canadian dollars)

	Share Capital				Shareholders' Equity \$
	Number of	Amount \$	Reserves \$	Deficit \$	
	Shares #				
Balance, September 30, 2024	49,882,939	26,945,334	5,200,156	(21,497,149)	10,648,341
Share-based payments	-	-	95,229	-	95,229
Loss for the period	-	-	-	(1,294,536)	(1,294,536)
Balance, December 31, 2024	49,882,939	26,945,334	5,295,385	(22,791,685)	9,449,034
Issuance of common shares – private placement	8,250,199	1,847,270	1,040,299	-	2,887,569
Share issuance costs	-	(244,159)	-	-	(244,159)
Share issuance costs – compensation warrants	-	(59,529)	59,529	-	-
Issuance of flow-through shares	5,000,000	2,000,000	-	-	2,000,000
Flow-through share premium	-	(250,000)	-	-	(250,000)
Share-based payments	-	-	372,366	-	372,366
Loss for the period	-	-	-	(6,811,643)	(6,811,643)
Balance, September 30, 2025	63,133,138	30,238,916	6,767,579	(29,603,328)	7,403,167
Option exercises	1,000,000	347,030	(147,030)	-	200,000
Warrant exercise	4,025	1,944	(535)	-	1,409
Share-based payments	-	-	113,937	-	113,937
Loss for the period	-	-	-	(699,401)	(699,401)
Balance, December 31, 2025	64,137,163	30,587,890	6,733,951	(30,302,729)	7,019,112

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LITHIUMBANK RESOURCES CORP.

Condensed Consolidated Interim Statements of Cash Flows

For the three months ended December 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

	Three Months Ended December 31, 2025 \$	Three Months Ended December 31, 2024 \$
OPERATING ACTIVITIES		
Loss for the period	(699,401)	(1,294,536)
Add items not affecting cash:		
Lease finance income	(3,309)	-
Lease finance costs	-	3,081
Recovery of flow-through premium liability	(18,967)	-
Shared-based payments	113,937	95,229
Changes in non-cash working capital items:		
Account receivables	(6,824)	-
Goods and Services Tax receivable	(7,623)	(151,043)
Advance for well purchase	(276,822)	-
Prepaid expenses, deposits and other receivables	23,005	53,512
Accounts payable and accrued liabilities	(341,964)	(1,408,205)
Net cash used in operating activities	(1,217,968)	(2,701,962)
INVESTING ACTIVITIES		
Acquisition of exploration and evaluation assets	(172,143)	(182,262)
Receipts on lease receivables	26,614	-
Net cash (used in) investing activities	(145,529)	(182,262)
FINANCING ACTIVITIES		
Proceeds from exercise of warrant	1,409	-
Proceeds from exercise of share option	200,000	-
Repayment on lease liability	-	(249,765)
Net cash provided by (used in) financing activities	201,409	(249,765)
Change in cash and cash equivalents during the period	(1,162,088)	(3,133,989)
Cash and cash equivalents, beginning of the period	3,510,977	4,889,037
Cash and cash equivalents, end of the period	2,348,889	1,755,048
Non-cash investing and financing activities:		
Reversal of fair value of share options	147,030	-
Fair value of finders warrants	536	-

During the three months ended December 31, 2025, the Company paid no interest or taxes.

LITHIUMBANK RESOURCES CORP.

*Notes to the Condensed Consolidated Interim Statements
For the three months ended December 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)*

1. NATURE OF OPERATIONS AND GOING CONCERN

LithiumBank Resources Corp. (the “Company”) was incorporated under the *Business Corporations Act* (British Columbia) on May 31, 2019 and is a public company listed on the TSX Venture Exchange (the “TSXV”) under the symbol “LBNK”. In addition, the Company trades on the OTC Market trading platform in the United States under the trading symbol “LBNKF”. The Company’s registered and records office is located at 10th floor, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5.

The Company is a resource company with mineral properties in Alberta and Saskatchewan. The Company is in the process of exploring and developing its mineral properties. The recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, successful permitting, the ability of the Company to obtain necessary financing to complete exploration and development, and upon future profitable production or proceeds from disposition of each mineral property. Furthermore, the acquisition of title to mineral properties is a complicated and uncertain process, and while the Company has taken steps in accordance with normal industry standards to verify its title to the mineral properties in which it has an interest, there can be no assurance that such title will ultimately be secured. The carrying amounts of exploration and evaluation assets are based on costs incurred to date, and do not necessarily represent present or future values.

These condensed consolidated interim financial statements have been prepared under the assumption that the Company will continue as a going concern. The going concern basis of presentation assumes that the Company will be able to meet its obligations and continue its operations for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Realization values may be substantially different from the carrying values as shown. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classifications of assets and liabilities should the Company be unable to continue as a going concern. Those adjustments could be material.

The Company has incurred losses since its inception and the ability of the Company to continue as a going concern depends upon its ability to raise adequate financing and to develop profitable operations. As of December 31, 2025, the Company has accumulated a deficit of \$30,302,729 and has working capital of \$2,460,201. However, based on the Company’s 2025 budget, the Company will require further financing to meet its financial obligations and sustain its operations in the normal course of business. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to meet its long-term business strategy depends on its ability to obtain additional equity debt or equity financing and to generate operational cash flow from product sales and commercial services revenue. The Company may not be able to raise additional financing on terms agreeable to the Company, or at all.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, trade and tariff policies, pandemics, relations between NATO and the Russian Federation regarding the situation in Ukraine, and potential economic global challenges, such as the risk of higher inflation and the energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business. To date, the impact on the Company’s operations has been minimal; however, management continues to monitor the situation.

LITHIUMBANK RESOURCES CORP.

*Notes to the Condensed Consolidated Interim Statements
For the three months ended December 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)*

2. BASIS OF PREPARATION

[a] Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS Accounting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

The condensed consolidated interim statements of the Company as at December 31, 2025 and for the periods then ended were approved and authorized for issue by the Board of Directors on February 25, 2026.

[b] Basis of measurement

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial assets and financial liabilities to fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

[c] Basis of consolidation

The Company’s consolidated interim financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company, where control is achieved by the Company being exposed, or having rights, to variable returns from its involvement with the entity and having the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases. As at December 31, 2025, the Company’s wholly owned subsidiary is 2277445 Alberta Ltd.

All intercompany transactions, balances, income and expenses are eliminated on consolidation.

[d] Critical accounting judgments, estimates and assumptions

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

LITHIUMBANK RESOURCES CORP.

Notes to the Condensed Consolidated Interim Statements

For the three months ended December 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION (CONTINUED)

[d] Critical accounting judgments, estimates and assumptions (continued)

Critical Judgments

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

- i. The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty (Note 1).
- ii. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfer and title may be affected by undetected defects.
- iii. Management is required to assess exploration and evaluation assets for impairment. As part of this assessment, management must make an assessment as to whether there are indicators of impairment. The Company considers both internal and external sources of information when assessing whether there are indications of impairment for the Company's exploration and evaluation assets. If there are indicators, management performs an impairment test on the major assets within this balance.
- iv. Judgment is required in determining whether deferred tax assets are recognized in the consolidated statements of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets.

Estimation Uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the current and next fiscal financial years:

- i. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the consolidated statements of financial position could be impacted.
- ii. The inputs used in valuing share-based payments are subject to estimation uncertainty. The Company uses the fair value method to account for all share-based awards granted, modified or settled, and the Black-Scholes option pricing model to determine the fair value of stock options granted. As such, a share-based payment is recorded based on the estimated fair value of options with a corresponding credit to reserves. Significant estimates in the Black-Scholes option pricing model include the risk-free interest rate, estimated annualized volatility and the expected life.
- iii. Depreciation of equipment is charged to write-down the value of those assets to their residual value over their respective estimated useful lives. Management is required to assess the useful economic lives and residual values of the assets such that depreciation is charged on a systematic basis to the current carrying amount. The useful lives are estimated having regard to such factors as asset maintenance, rate of technical and commercial obsolescence, and asset usage. The useful lives of key assets are reviewed annually.

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Notes to the Condensed Consolidated Interim Statements
For the three months ended December 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PREPARATION (CONTINUED)

[d] Critical accounting judgments, estimates and assumptions (continued)

Estimation Uncertainty (continued)

- iv. Recorded costs of exploration and evaluation assets are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty, and it is reasonably possible, based on existing knowledge, that a change in future conditions could require a material change in the recognized amount.
- v. The Company estimates the recoverable amount of property, plant and equipment, which is the higher of fair value less costs of disposal and value in use. Determining whether impairment indicators exist and estimating the recoverable amount involves significant judgment, with key assumptions subject to uncertainty due to external market conditions and operational factors.
- vi. Upon retirement of the Company's exploration and evaluation assets, decommissioning costs will be incurred. Estimating these costs involves significant uncertainty related to the methods, timing, and scope of future decommissioning activities. The decommissioning liability, associated asset, and related expenses are subject to estimation uncertainties concerning the expected costs and timing of decommissioning. Additionally, the Company must estimate the inflation and discount rates applied in valuing the decommissioning liability.

3. MATERIAL ACCOUNTING POLICIES

These condensed consolidated interim financial statements follow the same accounting principles and methods of application as those disclosed in Note 3 of the Company's Annual Financial Statements as at September 30, 2025 and for the year then ended.

Future standard not yet adopted

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. This standard aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 *Statement of Cash Flows*. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

The Company is currently assessing the impact the new standard will have on its consolidated financial statements.

LITHIUMBANK RESOURCES CORP.

Notes to the Condensed Consolidated Interim Statements

For the three months ended December 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash held in banks and a term deposit as follows:

	December 31, 2025	September 30, 2025
	\$	\$
Cash	70,139	382,227
Term deposit	2,278,750	3,128,750
	2,348,889	3,510,977

As at December 31, 2025, the Company has one term deposit in the amount of \$28,750 (2024 - \$28,750) maturing on January 2, 2026 with interest at prime less 2.70%. As at December 31, 2025, the Company held \$2,250,000 (2024 - \$1,700,000) in a redeemable guaranteed investment certificate ("GIC") with a one-year term and an interest rate of 4.45% (2024: 4.65%).

5. PREPAID EXPENSES, DEPOSITS AND OTHER RECEIVABLES

Prepaid expenses, deposits and other receivables consist of:

	December 31, 2025	September 30, 2025
	\$	\$
Administration and insurance	46,131	24,525
Geological and drilling related advances	30,612	5,122
Deposits	17,913	17,913
Other receivables	14,519	81,054
GIC interest receivables	10,953	14,519
	120,128	143,133

6. EXPLORATION AND EVALUATION ASSETS

Boardwalk, Park Place and Peace Properties are located in northern Alberta and were acquired directly through the Alberta government by claim staking. The Saskatchewan properties were acquired by auction directly from the Saskatchewan government. The Kindersley properties are located in west-central Saskatchewan near the Alberta border and the South properties are located along the southern border of Saskatchewan with the United States. The Company is required to make annual payments to Alberta and Saskatchewan to maintain the rights to the wholly owned properties.

The Company recorded a decommissioning liability of \$180,000 related to the acquisition of an existing oil and gas well on the Boardwalk property. The total undiscounted cash flow estimated to settle the obligations as at December 31, 2025 is \$184,000 (2025 - \$182,000), which was adjusted for inflation at a rate of 2.40% (2024 - 1.9%) and then discounted at a rate of 2.57% (2024 - \$2.84%). The related costs are expected to be incurred beginning in three years.

Pursuant to the well purchase agreement dated November 7, 2025, the Company and the vendor agreed to place the escrow funds and entered into an escrow agreement in trust with the escrow agent to be held and released in accordance with the escrow agreement. The said fund will be released when the AER has approved the license transfer and the applicable licenses have been registered in the name of the Company.

LITHIUMBANK RESOURCES CORP.

*Notes to the Condensed Consolidated Interim Statements
For the three months ended December 31, 2025 and 2024
(Unaudited - Expressed in Canadian dollars)*

6. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

The following table summarizes the Company’s exploration and evaluation assets transactions for the period ended December 31 and September 30, 2025:

	Balance, September 30 2024 \$	Acquisition \$	Balance, September 30 2025 \$	Acquisition \$	Balance, December 31 2025 \$
Boardwalk – AB	925,146	560,017	1,485,163	-	1,485,163
Park Place – AB	1,691,951	793,392	2,485,343	-	2,485,343
Peace – AB	105,750	48,720	154,470	-	154,470
Simonette – AB	-	-	-	-	-
Kindersley – SK	34,993	92,017	127,010	81,897	208,907
South – SK	18,142	90,244	108,386	90,246	198,632
	2,775,982	1,584,390	4,360,372	172,143	4,532,515

On July 31, 2020, and amended on November 26, 2021 and March 28, 2024, in connection with certain consulting services, the Company granted, to a related party (Note 9[c]), an overriding revenue royalty (“ORR”) equal to 2% of the gross proceeds realized from the sale of all products produced on select claims. The agreement contains a buy-back right whereby the Company has the option to purchase from the royalty holder, and to require the royalty holder to sell to the Company, half of the royalty holder’s royalty (1%) to the Company for aggregate consideration of \$2,000,000.

Exploration Expenditures

The following table summarizes the Company’s exploration expenditures:

	Three Months Ended December 31, 2025 \$	Three Months Ended December 31, 2024 \$
Geological consulting and related	2,330	92,265
Sampling and related	41,856	171,774
Warehouse, pilot plant and related	120,331	328,946
Well, drilling and related	18,045	110,957
Total	182,562	703,942

LITHIUMBANK RESOURCES CORP.

Notes to the Condensed Consolidated Interim Statements

For the three months ended December 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

7. RIGHT-OF-USE LEASE ASSET

The Company entered into a three-year warehouse lease agreement commencing on April 1, 2024 for which the warehouse was used for pilot plant operation. During the year ended September 30, 2024, the Company identified indicators of impairment and performed an impairment assessment to estimate the recoverable amount of the related assets. The Company applied the fair value less costs of disposal method and concluded that no economic benefits could be realized from the pilot plant. Consequently, the recoverable amount was determined to be \$nil, leading to the full impairment of the related property, plant and equipment balances and right-of-use lease asset during the year ended September 30, 2024. Pilot plant testing continued through to December then the plant closed by March 31, 2025. Effective June 1, 2025, the Company entered into an agreement to sublease the warehouse to March 31, 2027 at a rate of \$8,871 per month.

8. LEASE RECEIVABLES

During the period ended December 31, 2025, the Company sub-leased the warehouse that has been presented as a lease receivable.

The following table sets out a maturity analysis of lease receivables showing the undiscounted lease payments to be received after December 31, 2025.

	\$
Less than one year	106,457
One to two years	26,615
Total undiscounted lease receivables	133,072
Unearned finance income	(7,429)
Net investment in lease	125,643
Current portion	99,247
Non-current portion	26,396
Total lease receivable	125,643

9. RELATED PARTY TRANSACTIONS AND BALANCES

[a] Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Compensation to key management during the three months ended December 31, 2025 and 2024 were as follows:

	Three Months Ended December 31, 2025 \$	Three Months Ended December 31, 2024 \$
Directors' fees	27,000	27,000
Exploration and evaluation	92,000	42,000
Management fees	195,000	210,000
Share-based payments	113,937	69,422
Total	427,937	348,422

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*Notes to the Condensed Consolidated Interim Statements
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(Unaudited - Expressed in Canadian dollars)*

9. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

[b] Amounts due to related parties

As at December 31, 2025, included in accounts payable and accrued liabilities is \$50,751 (September 30, 2024 - \$288,951) owed to related parties. These amounts are unsecured, non-interest-bearing and due on demand.

[c] Other related party transactions

During the period ended December 31, 2025, \$14,700 (December 31, 2024 - \$1,360) of general and administration expense was paid to Fehr & Associates, a corporation controlled by the CFO, that were attributable to costs directly associated with office space, accounting services and administration staff used by the Company.

The Company granted a 2% ORR to 2271603 Alberta Ltd., a company owned by the chief executive officer. The fair value of the ORR was determined to be \$nil (Note 7).

10. SHARE CAPITAL

[a] Authorized

The authorized share capital of the Company as at December 31, 2025 and September 30, 2025 consists of an unlimited number of common shares without par value.

[b] Issued and outstanding

As at December 31, 2025, there were 64,137,163 (September 30, 2025 – 63,133,138) common shares issued and outstanding.

During the three months ended December 31, 2025

On November 20, 2025, the Company granted 300,000 stock options with an exercise price of \$0.58 per share and an expiry of November 17, 2030.

On October 28, 2025, the Company issued 1,000,000 common shares pursuant to the exercise of stock options for proceeds of \$200,000. On December 15, 2025 and January 16, 2026, the Company issued a total of 109,025 common shares pursuant to the exercise of compensation warrants for proceeds of \$53,909.

During the year ended September 30, 2025

On April 4, 2025, the Company completed a non-brokered private placement and issued 5,000,000 flow-through units at a price of \$0.40 per unit for gross proceeds of up to \$2,000,000. Each unit consists of one flow-through common share of the Company issued as a "flow-through share" and one-half of one common share purchase warrant (each whole common share purchase warrant, a "FT Warrant"). Each FT Warrant entitles the holder to purchase one common share of the Company at a price of \$0.60 within 36 months of the date of issue. In connection with the offering, the Company issued 350,000 finders' warrants, where the warrant is exercisable into one common share of the Company at a price of \$0.35 on or before 36 months from the date of issue. The allocation of the proceeds of \$2,000,000 was as follows: \$1,350,000 was assigned to share capital, \$400,000 was allocated to warrants using the residual value method and \$250,000 was assigned to flow-through liability.

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Notes to the Condensed Consolidated Interim Statements

For the three months ended December 31, 2025 and 2024

(Unaudited - Expressed in Canadian dollars)

10. SHARE CAPITAL (CONTINUED)

On April 4, 2025 and April 8, 2025, the Company completed a further non-brokered private placement of 8,250,199 Listed Issuer Financing Exemption units of the Company ("LIFE Units") for gross proceeds of \$2,887,569. Each LIFE Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant of the Company (each whole warrant, a "Warrant") The Company allocated the value of the share purchase warrant using the residual value method according to Company's accounting policy for a total of \$660,016. Each Warrant entitles the holder to purchase one share for a period of 36 months from the date of issue at an exercise price of \$0.50. In connection with the offering, the Company issued an additional 97,314 finders' warrants, where the warrant is exercisable into one common share of the Company at a price of \$0.35 on or before 36 months from the date of issue.

Other share issue costs amounting to \$77,695 were paid for the above placements and together with cash finders' fees \$166,464 made total share issue cost \$244,159 incurred for the placements.

[c] Common share purchase warrants

Common share purchase warrant transactions and the number of common share purchase warrants outstanding are summarized below:

	Number	Weighted Average Exercise Price \$
Balance, September 30, 2024	6,760,019	1.87
Issued	6,625,099	0.54
Expired	(2,282,994)	2.00
Balance, September 30, 2025	11,102,124	1.05
Expired	(1,753,250)	1.50
Balance, December 31, 2025	9,348,874	0.96

Common share purchase warrants issued and exercisable as at September 30, 2025 are as follows:

Date of Expiry	Number of Warrants Outstanding and Exercisable	Exercise Price \$
May 15, 2026	2,723,775	2.00
April 4, 2028	2,500,000	0.60
April 4, 2028	3,149,285	0.50
April 8, 2028	975,814	0.50
	9,348,874	

The weighted average remaining life of the common share purchase warrants at December 31, 2025 is 1.71 years.

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10. SHARE CAPITAL (CONTINUED)

[d] Compensation warrants

Compensation warrant transactions and the number of compensation warrants outstanding are summarized below:

	Number	Weighted Average Exercise Price \$
Balance, September 30, 2024	356,802	1.32
Issued	447,314	0.35
Expired	(124,140)	1.50
Balance, September 30, 2025	679,976	0.65
Exercised	(4,025)	1.50
Expired	(40,290)	1.00
Balance, December 31, 2025	635,661	0.63

Compensation warrants issued and exercisable as at December 31, 2025 are as follows:

Date of Expiry	Number of Warrants Outstanding and Exercisable	Exercise Price \$
May 15, 2026	192,372	1.28
April 8, 2028	443,289	0.35
	635,661	

The weighted average remaining life of the compensation warrants as at December 31, 2025 is 1.70 years.

During the year ended September 30, 2024, the Company paid (i) a cash commission in the aggregate amount of \$41,640, being up to 6% of the gross proceeds raised under the private placement from investors introduced to the Company by such finders; and (ii) 40,290 non-transferable Finder Warrants of the Company, being equal to 6% of the units sold under the private placement from investors introduced to the Company by such finders. Each Finder Warrant is exercisable to acquire one Finder Unit of the Company at a price of \$1.00.

Each Finder Unit is comprised of one share and one-half of one Warrant, with each Warrant entitling the holder thereof to purchase an additional share at a price of \$1.50 for a period of 24 months from the date of issuance. The Finder Warrants were recorded at a fair value of \$17,028.

The fair value of the Finder Warrants was determined using the Black-Scholes option pricing model under the following assumptions: a risk-free interest rate of 4.88%, annualized volatility of 84.08%, an expected life of 2 years, nil dividend yield, \$1.00 exercise price and a \$0.93 share price.

The fair value of the 447,314 finder Warrants issued during the year ended September 30, 2025 was determined using the Black-Scholes option pricing model under the following assumptions: a risk-free interest rate of 2.47%, annualized volatility of 80.06%, an expected life of 3 years, nil dividend yield, \$0.35 exercise price and a \$0.28 share price. Total finders' warrants were valued at \$59,529 during the year.

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10. SHARE CAPITAL (CONTINUED)

[e] Stock options

The Company adopted a fixed stock option plan, which was approved by shareholders on March 28, 2023. An aggregate of 7,700,000 common shares of the Company are reserved, set aside and allotted for issuance under the fixed option plan, representing 20% of the total number of issued and outstanding shares as of the date of implementation of the fixed option plan.

Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price and the vesting conditions of the options. The options can be granted for a maximum term of 10 years and vest at the discretion of the Board of Directors. The options are required to have an exercise price of no less than the closing market price of the Company's shares on the day on which the Company announces the grant of options, less the applicable discount, if any, and approved by the Board of Directors.

A continuity of stock options is as follows:

	Number	Exercise Price \$
Balance, September 30, 2024	7,089,625	0.90
Forfeited	(30,000)	(0.80)
Balance, September 30, 2025	7,059,625	0.37
Issued	300,000	0.58
Exercised	(1,000,000)	(0.20)
Expired	(100,000)	(0.40)
Balance, December 31, 2025	6,259,625	1.10

Stock options issued and exercisable as at December 31, 2025 are as follows:

Expiry Date	Exercise Price \$	Number of Options Granted	Number of Options Exercisable
September 6, 2026	0.40	659,625	659,625
January 27, 2028	0.40	3,250,000	3,250,000
April 2, 2028	0.40	200,000	200,000
April 27, 2028	0.40	100,000	100,000
April 28, 2028	0.40	100,000	100,000
April 7, 2029	0.40	400,000	400,000
April 8, 2029	0.40	1,250,000	1,250,000
November 17, 2030	0.58	300,000	300,000
		6,259,625	6,259,625

As at December 31, 2025, the weighted average remaining life for outstanding stock options was 2.39 years.

On November 20, 2025, the Company granted 300,000 stock options with an exercise price of \$0.58 per share and an expiry of November 17, 2030. During the three months ended December 31, 2025, the Company recognized share-based payments of \$113,937 (2024 - \$95,229) related to the vesting of stock options.

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10. SHARE CAPITAL (CONTINUED)

The weighted average assumption used in option granted on November 20, 2025 was determined using the Black-Scholes option pricing model under the following assumptions: a risk-free interest rate of 2.82%, annualized volatility of 88.30%, an expected life of 5 years, nil dividend yield, \$0.58 exercise price and a \$0.55 share price.

[f] Flow-through premium liability

As at December 31, 2025, the Company has a commitment to spend \$1,282,263 before December 31, 2026 (2024: \$nil). The following is a continuity of the liability portion of the flow-through share issuances:

	\$
Balance, September 30, 2024	-
Flow-through premium liability additions	250,000
Settlement of flow-through share premium liability pursuant to qualifying expenditures	(70,750)
Balance, September 30, 2025	179,250
Flow-through premium liability additions	-
Settlement of flow-through share premium liability pursuant to qualifying expenditures	(18,967)
Balance, December 31, 2025	160,283

11. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to ensure its ability to continue as a going concern in order to pursue the acquisition and development of mineral property interests. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company is largely dependent upon external financings to fund activities. To carry out planned acquisition and development and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes to the Company's approach to capital management during the period ended December 31, 2025. The Company is not subject to externally imposed capital restrictions but does expect to spend proceeds from the flow-through financing during the balance of the year (Note 10[f]).

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12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

[a] Fair value

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy for financial instruments measured at fair value that reflects the significance of inputs used in making fair value measurements as follows:

- Level 1 – quoted prices in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e., as prices) or indirectly (i.e., from derived prices); and
- Level 3 – inputs for the asset or liability that are not based upon observable market data.

The Company's financial instruments include cash and cash equivalents, amounts receivable, lease receivable, deposits, lease liabilities, accounts payable and accrued liabilities, all of which are measured at amortized cost.

The Company's financial instruments are exposed to certain financial risks, which include foreign currency risk, interest rate risk, credit risk, liquidity risk and other price risk. The Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company's exposure to these risks and its methods of managing the risks remain consistent.

[b] Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises for the Company from its cash and cash equivalents. Concentration of credit risk exists with respect to the Company's cash and cash equivalents, as all amounts are held at a major Canadian financial institution. Management believes credit risk is nominal, as cash is held in Canadian financial institutions and Goods and Services Tax is due from the Government of Canada.

The credit risk associated with cash and cash equivalents is minimized by ensuring that substantially all dollar amounts are held with a major financial institution with strong investment-grade ratings by a primary rating agency. The maximum credit risk is the cash and cash equivalents and receivables value of \$2,348,889 (September 30, 2025 - \$3,510,977).

[c] Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is reliant upon equity issuances as its sole source of cash. The Company manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations. The Company continuously reviews its actual expenditures and forecasted cash flows and matches the maturity dates of its cash equivalents to capital and operating needs. The Company normally maintains sufficient cash to meet the Company's business requirements. As at December 31, 2025, the Company has a cash and cash equivalents balance of \$2,348,889 (September 30, 2025 - \$3,510,977). Management estimates these funds are not sufficient to meet its current obligations. As of December 31, 2025, the Company has a working capital of \$2,620,484 (September 30, 2025 - \$3,169,904), excluding flow-through premium liability.

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12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

[d] Market risk

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. The Company's term deposit earns interest at prime less 2.4% and also earns interest from its GIC at prime less 4.65%. Fluctuations in the prime lending rate would have an insignificant impact on profit or loss in the period.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company does not hold financial instruments in a foreign currency. As such, currency risk is insignificant.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or currency risk. The Company's ability to raise capital to fund exploration activities is subject to risks associated with fluctuations in the market price of lithium. The Company closely monitors commodity prices to determine appropriate courses of action to be taken.

13. SEGMENTED INFORMATION

The Company operates in one reportable segment, being the exploration and evaluation of mineral properties. All the Company's exploration and evaluation assets are located in Canada.

14. SUBSEQUENT EVENTS

Subsequent to December 31, 2025, the Company issued 105,000 common shares pursuant to the exercise of warrants for proceeds of \$52,500.